



Department of Justice

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JAPANESE MANUFACTURER PLEADS GUILTY FOR ITS ROLE IN PRICE-FIXING CONSPIRACY

Ishihara Sangyo Kaisha Ltd. to Pay a \$5 Million Criminal Fine

WASHINGTON, D.C. – A Japanese manufacturer of a coating for video tape pleaded guilty today and was sentenced to pay a \$5 million fine for its role in a conspiracy to fix the prices of and allocate customers for the sale of video magnetic iron oxide (MIO) particles in the United States and elsewhere, the Department of Justice announced.

The coating is a powder that is used in the manufacture of polyester film-based video tapes. The video MIO particles give the tapes their magnetic quality to pick up sound and images.

In a one-count superseding charge, filed yesterday in U.S. District Court in Philadelphia, Ishihara Sangyo Kaisha Ltd. (ISK Japan) of Osaka, Japan, was charged with participating in a conspiracy to fix prices and allocate customers for the sale of video MIO particles in the United States and elsewhere from January 1995 until April 1998.

On July 25, 2001, ISK Japan and three of its executives were indicted for conspiring to fix prices and allocate customers for the sale of MIO particles in the United States and elsewhere from 1991 to 1998. Under a plea agreement with ISK Japan, the charge in the July 25, 2001, indictment will be dismissed. The three ISK Japan executives indicted on July 25, remain fugitives.

ISK Japan was charged with violating Section 1 of the Sherman Act, which carries a maximum fine of \$10 million for a corporation. The maximum fine may be increased to twice

the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine.

The ongoing investigation of the MIO particles business is being conducted by the Antitrust Division's New York Office and the New Jersey Office of the Federal Bureau of Investigation.

Anyone with information concerning collusion in the MIO particles business should contact the Antitrust Division's New York Office at (212) 264-0665, or the New Jersey Office of the Federal Bureau of Investigation at (973) 684-4428.

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